

Trademark

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UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

THE VALSPAR CORPORATION,
VALSPAR REFINISH, INC., AND
VALSPAR SOURCING, INC.

Plaintiffs,

v.

TCP GLOBAL CORPORATION,

Defendant.

Civil Action No. _____

COMPLAINT
JURY TRIAL DEMANDED

Plaintiffs, The Valspar Corporation, Valspar Refinish, Inc., and Valspar Sourcing, Inc. (individually and collectively, "Valspar"), by way of their Complaint against Defendant TCP Global Corporation, allege as follows:

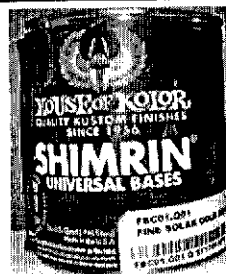
NATURE OF THIS ACTION

1. This is an action by Valspar for trademark counterfeiting and related claims in violation of the Lanham Act, 15 U.S.C. §§ 1114 and 1125, and the laws of the State of Minnesota. Valspar manufactures and sells the HOUSE OF KOLOR brand of paint, which is high-caliber paint used for customizing vehicles. Launched over fifty years ago in Minneapolis, HOUSE OF KOLOR is a leading and iconic brand in the custom automotive coatings industry. TCP Global Corporation ("Defendant") operates an online automotive paint store through which it sells counterfeit paint in cans bearing product labels that are exact copies of the genuine HOUSE OF KOLOR product labels, as shown below.

Genuine HOUSE OF KOLOR Paint



Defendant's Counterfeit



The product labels used by Defendant are copies of, virtually indistinguishable from, and counterfeits of, authentic HOUSE OF KOLOR labels. The counterfeit goods being sold by Defendant are lower quality knock-offs that have caused and will continue to cause irreparable harm to Valspar and its HOUSE OF KOLOR brand.

THE PARTIES

2. Plaintiff The Valspar Corporation is a Delaware corporation having a principal place of business at 901 3rd Avenue South, Minneapolis, Minnesota 55402.

3. Plaintiff Valspar Refinish, Inc. is a Mississippi corporation and a wholly owned subsidiary of The Valspar Corporation, having a place of business at 210 Crosby Street, Picayune, Mississippi 39466.

4. Plaintiff Valspar Sourcing, Inc. is a Minnesota corporation and a wholly owned subsidiary of The Valspar Corporation having a principal place of business of 901 3rd Avenue South, Minneapolis, Minnesota 55402.

5. Upon information and belief, Defendant TCP Global Corporation is a California corporation having a principal place of business at 6695 Rasha Street, San Diego, California 92121.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction under 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331 and 1338, and has supplemental jurisdiction under 28 U.S.C. § 1367 over claims arising under Minnesota law.

7. This Court has personal jurisdiction over the Defendant for at least the following reasons:

a. Defendant has shipped products to Minnesota;

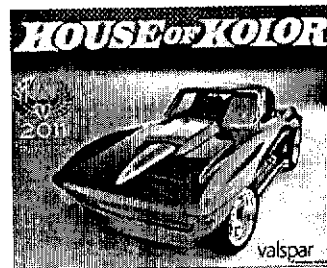
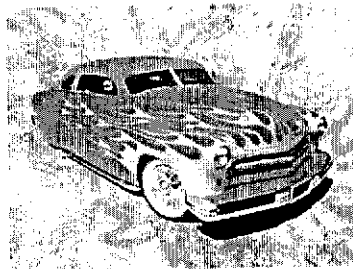
- b. Defendant offers to sell products to residents of Minnesota;
- c. Defendant advertises the products it sells to residents of Minnesota; and
- d. Defendant has engaged in acts that have caused injury or property damage to Valspar within Minnesota.

8. Venue is proper in this district under 28 U.S.C. §§ 1391 (b) and (c). Upon information and belief, Defendant does business with parties residing in Minnesota and acts of infringement have taken place in Minnesota.

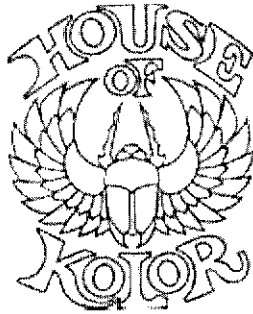
FACTS RELEVANT TO ALL CLAIMS

9. The HOUSE OF KOLOR brand of custom paint was introduced in 1956 and has become a well-known and iconic brand in the automotive custom paint industry. In 1996, the HOUSE OF KOLOR brand and business joined the Valspar family. Through its wholly owned subsidiary, Valspar Refinish, Inc., The Valspar Corporation continues to manufacture and sell high-quality HOUSE OF KOLOR custom paint and coating products. As a result, the distinctive and well-known HOUSE OF KOLOR trademark has been in continuous use in connection with custom paint and related products for over five decades and is a valuable trademark of Valspar.

10. Custom painters use HOUSE OF KOLOR paint and products for custom paint jobs on vehicles like those shown below.



11. Since at least as early as 1992, the HOUSE OF KOLOR and scarab design logo depicted below (the “HOUSE OF KOLOR Logo”) has been used to identify and distinguish HOUSE OF KOLOR products.



As shown on the product label below, Valspar uses the scarab design depicted in the HOUSE OF KOLOR Logo (hereafter, the “Scarab Design”) both separately and as a component of the HOUSE OF KOLOR Logo.



12. The HOUSE OF KOLOR line of products includes paints, sealers, primers, and other coating products, many of which are identified with product trademarks in addition to the HOUSE OF KOLOR trademark, the HOUSE OF KOLOR Logo, and the Scarab Design. For example, Valspar owns and uses the trademark SHIMRIN, which has been used continuously since at least as early as 1983 in connection with automotive paint.

13. As shown by the above product label, HOUSE OF KOLOR paint and products are sold in distinctive packaging. The brightly colored Scarab Design is displayed atop the HOUSE

OF KOLOR mark, which appears in a distinctive font. Beneath the HOUSE OF KOLOR mark, the phrase “Quality Kustom Finishes Since 1956” is displayed atop an additional product trademark, such as SHIMRIN, and other product information. The HOUSE OF KOLOR Logo is displayed on the lower left side of the product label. The product label is black and displays a ghosted image of the Scarab Design in the background. The combination of the foregoing elements is hereafter referred to as the “HOUSE OF KOLOR Trade Dress.”

14. Valspar’s HOUSE OF KOLOR Trade Dress is inherently distinctive and serves to identify the source of the paint and coating products sold under Valspar’s HOUSE OF KOLOR Trade Dress. Based on the long-time and widespread sale and promotion of HOUSE OF KOLOR products, the HOUSE OF KOLOR Trade Dress has acquired even greater distinctiveness and strongly identifies and distinguishes HOUSE OF KOLOR paint and coating products from products sold by other parties.

15. In addition to the HOUSE OF KOLOR trademark, Valspar owns and uses additional trademarks that feature the letter “K” as a replacement for the letter “C” in connection with HOUSE OF KOLOR products, including KUSTOM FINISHES, KUSTOM KOLOR, KAMELEON, KOMPLY KLEAR, KOSMIC, KOSMIC KOLOR, KOSMIC KROME, KOSMIC SPARKS, KOSMIC - GLO, and KO-SEAL, which are used with paintings, coatings, and/or related products (collectively, the “K-Variant Marks”). The convention to use the letter “K” was begun many years ago as a reference to HOUSE OF KOLOR’s famous founder and native Minnesota artist, Jon Kosmoski.

16. The HOUSE OF KOLOR trademark, HOUSE OF KOLOR Logo, HOUSE OF KOLOR Trade Dress, Scarab Design, and K-Variant Marks are distinctive, well known in the custom automotive paint industry, and valuable assets of Valspar.

17. The HOUSE OF KOLOR brand is often referred to in shorthand as “HOK.” For example, the HOUSE OF KOLOR website includes references such as “The Evolution of HOK” and “HOK products are designed for long lasting custom paint jobs.”

18. In addition to the above-described common law rights in the HOUSE OF KOLOR mark, HOUSE OF KOLOR Logo, HOUSE OF KOLOR Trade Dress, Scarab Design, SHIMRIN trademark, K-Variant Marks, and HOK shorthand, plaintiffs Valspar Refinish, Inc. and Valspar Sourcing, Inc. own a number of federal trademark registrations, many of which are incontestable, including the following:

- 1. • Incontestable Registration No. 1,657,928 for the mark HOUSE OF KOLOR in connection with “paints, varnishes, lacquers and preservatives against rust,” which issued September 24, 1991 and is owned by Valspar Refinish, Inc.;
- 2. • Registration No. 2,156,268 for the HOUSE OF KOLOR Logo in connection with “product used for coating exterior surfaces of motor vehicles, motorcycles, boats and accessories thereto,” which issued May 12, 1998 and is owned by Valspar Refinish, Inc.;
- 3. • Registration No. 1,366,164 for the mark SHIMRIN in connection with “polyurethane paint for automotive use,” which issued October 22, 1985 and is owned by Valspar Refinish, Inc.;
- 4. • Incontestable Registration No. 1,675,637 for the mark KUSTOM KOLOR in connection with “acrylic lacquers and nitrocellulose lacquers used in coating exterior surfaces of motor vehicles, motor cycles, boats and accessories thereto of all natures and descriptions,” which issued February 18, 1992 and is owned by Valspar Refinish, Inc.;
- 5. • Incontestable Registration No. 2,170,808 for the mark KAMELEON in connection with “ultra-thin, color shifting flakes mixed with paint products used for

coating exterior surfaces of motor vehicles, motorcycles, boats and accessories thereto,” which issued July 7, 1998 and is owned by Valspar Refinish, Inc.;

- 4 • Incontestable Registration No. 2,295,939 for the mark KAMELEON in connection with “automotive paint for metal, plastic and fiberglass surfaces,” which issued November 30, 1999 and is owned by Valspar Refinish, Inc.;
- 7 • Registration No. 2,110,686 for the mark KOMPLY KLEAR in connection with “product in the nature of a paint used for coating exterior surfaces of motor vehicles, motorcycles, boats and accessories thereto of all natures and descriptions, and is VOC (volatile organic compound) compl[ia]nt,” which issued November 4, 1997 and is owned by Valspar Refinish, Inc.;
- 8 • Registration No. 3,041,818 for the mark KOSMIC in connection with “Urethane enamel clear topcoat coatings used for coating exterior surfaces of motor vehicles, motorcycles, boats and accessories thereto and automotive paint for metal, plastic and fiberglass surfaces,” which issued January 10, 2009 and is owned by Valspar Sourcing, Inc.;
- 9 • Incontestable Registration No. 1,668,157 for the mark KOSMIC KOLOR in connection with “urethane enamel coatings for all exterior applications,” which issued December 17, 1991 and is owned by Valspar Sourcing, Inc.;
- 10 • Registration No. 3,131,081 for the mark KOSMIC KROME in connection with “paints, clear coats and thinners,” which issued August 15, 2006 and is owned by Valspar Sourcing, Inc.;
- 11 • Incontestable Registration No. 1,767,107 for the mark KOSMIC – GLO in connection with “phosphorescent powder that glows and is used as an additive in

products used for coating exterior surfaces of motor vehicles, motorcycles, boats and accessories thereto of all natures and descriptions,” which issued April 27, 1993 and is owned by Valspar Sourcing, Inc.; and

- 12 • Registration No. 2,203,503 for the mark KO-SEAL in connection with “product used as sealant on paints used for coating exterior surfaces of motor vehicles, motorcycles, boats and accessories thereto,” which issued November 17, 1998 and is owned by Valspar Refinish, Inc.

The foregoing registrations are valid and subsisting and true and correct copies of such registrations along with printouts from the United States Patent and Trademark Office’s online database showing the current ownership status are attached hereto as Exhibit 1.

Defendant’s Unlawful Conduct

19. Defendant operates an online retail store located at www.tcpglobal.com, through which Defendant sells a variety of products, including automotive paint and coating products.

20. Defendant is well aware of Valspar and its HOUSE OF KOLOR products. Defendant is a customer of Valspar, purchasing various raw materials from Valspar and authentic HOUSE OF KOLOR products from an authorized Valspar distributor.

21. Defendant devotes a portion of its www.tcpglobal.com website to HOUSE OF KOLOR products, prominently featuring, without authorization, the stylized HOUSE OF KOLOR mark and the Scarab Design. Defendant even registered, again without Valspar’s authorization, the domain name *hokpaint.com* and operates an online store devoted to HOUSE OF KOLOR products at www.hokpaint.com. Portions of Defendant’s websites are shown below.

www.tcpglobal.com/hokpaint



www.hokpaint.com

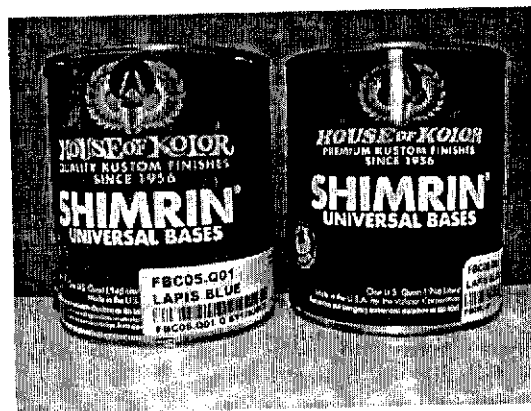


22. Because Defendant sells some genuine HOUSE OF KOLOR products, and uses Valspar's trademarks and the *hokpaint.com* domain name, Defendant appears to be holding itself out as a legitimate retailer and/or authorized dealer of Valspar's HOUSE OF KOLOR products. Simultaneously, Defendant is selling counterfeit HOUSE OF KOLOR products.

23. Defendant offers for sale and sells products bearing copies of genuine HOUSE OF KOLOR product labels. The paint cans bearing the copies of genuine HOUSE OF KOLOR product labels do not contain HOUSE OF KOLOR paint. Rather, such paint cans contain inferior quality paint that is measurably and materially different from genuine HOUSE OF KOLOR paint.

24. On three occasions—May 14, June 14, and July 18, 2012—a Valspar representative ordered a variety of HOUSE OF KOLOR products from Defendant. In response, Defendant sold and shipped to this representative at least six products in cans bearing labels that are copies of genuine HOUSE OF KOLOR product labels. Valspar analyzed the paint and determined that the products containing copied HOUSE OF KOLOR labels are not authentic HOUSE OF KOLOR products.

25. The packaging for the counterfeit products sold by Defendant is identical to and virtually indistinguishable from genuine HOUSE OF KOLOR product packaging. In the photographs below, Defendant's counterfeit products are placed to the left of the genuine HOUSE OF KOLOR product counterparts.



26. Like authentic HOUSE OF KOLOR products, the counterfeit products display the brightly colored Scarab Design above the distinctive HOUSE OF KOLOR mark, which sits atop the phrase "Quality Kustom Finishes Since 1956," which sits atop the SHIMRIN trademark. Both the authentic HOUSE OF KOLOR products and the counterfeit products feature the HOUSE OF KOLOR Logo on the lower left portion of the product label (when facing the front of the can) and a product label that has a predominantly black background including a ghosted Scarab Design.

27. The above-identified paint and coating products sold by Defendant infringe the HOUSE OF KOLOR Trade Dress as well as the HOUSE OF KOLOR mark, the HOUSE OF KOLOR Logo, the Scarab Design, and the SHIMRIN trademark, all of which Valspar uses in connection with paint and coating products.

28. The appearance of Defendant's non-genuine paint and coating products bearing the HOUSE OF KOLOR Trade Dress, the HOUSE OF KOLOR mark, the HOUSE OF KOLOR Logo, the Scarab Design, and the SHIMRIN trademark is virtually identical to and substantially indistinguishable from authentic HOUSE OF KOLOR paint and coating products and is likely to cause purchasers to believe they are purchasing authentic HOUSE OF KOLOR products.

29. The quality of Defendant's counterfeit products is inferior to the quality of genuine HOUSE OF KOLOR products. Genuine HOUSE OF KOLOR paint and coating products are high-end, high-caliber products. The retail price of HOUSE OF KOLOR paint can exceed \$90 a quart. By selling inferior paint in HOUSE OF KOLOR packaging, Defendant is capitalizing on the reputation of the high-quality HOUSE OF KOLOR products while at the same time deceiving consumers by offering an inferior product.

30. Defendant's sale of counterfeit paint and coating products is injuring Valspar's reputation and the respected image of the HOUSE OF KOLOR brand. Indeed, Valspar has received at least one complaint from a customer claiming that what he believed to be a HOUSE OF KOLOR product was substandard. Upon investigating, Valspar learned that the product was a counterfeit.

31. By selling paint and coating products that are virtually identical to and substantially indistinguishable from HOUSE OF KOLOR paint and coating products, Defendant

is willfully attempting to trade upon and usurp the considerable goodwill associated with the HOUSE OF KOLOR brand.

32. Prior to selling the counterfeit paint and coating products complained of herein, Defendant had constructive notice of the prior trademark rights in the HOUSE OF KOLOR, HOUSE OF KOLOR Logo, and SHIMRIN marks by virtue of 15 U.S.C. § 1072. In addition to such constructive notice, Defendant, as a reseller of genuine HOUSE OF KOLOR products and a customer of Valspar, had actual notice of Valspar's prior trademark rights.

33. Upon information and belief, Defendant is intentionally using counterfeit marks with knowledge that such marks are counterfeit. An examination of the labels Defendant uses on its counterfeit products reveals that the labels are copies of authentic HOUSE OF KOLOR product labels.

34. Defendant also offers for sale and sells custom automotive painting, coating, and related automotive products under its so-called private label brand KUSTOM SHOP, which prominently features the letter "K" as a replacement of the letter "C." Defendant emphasizes the letter "K" on its automotive products and promotional materials. Based on Valspar's prior rights in the HOUSE OF KOLOR mark and the K-Variant Marks (including KUSTOM KOLOR), Defendant's use of the KUSTOM SHOP mark and prominent "K" is likely to cause consumers to mistakenly believe that Valspar is the source of or endorses Defendant's KUSTOM SHOP products or Defendant's KUSTOM SHOP products are somehow affiliated with the HOUSE OF KOLOR brand or product line.

35. Defendant's unlawful activities have resulted in unjust enrichment to Defendant and serious, irreparable harm to Valspar. If Defendant's unlawful activities are not immediately

enjoined, Defendant will continue to be unjustly enriched and will continue to irreparably harm Valspar. Valspar has no adequate remedy at law.

COUNT I

(Federal Trademark Infringement and Counterfeiting under 15 U.S.C. § 1114)

36. Valspar repeats and realleges each and every allegation of paragraphs 1 through 35 of this Complaint with the same force and effect as if set forth in their entirety at this point.

37. Valspar owns the federal trademark registrations set forth in paragraph 18 above.

38. Defendant's unauthorized use in commerce of reproductions, counterfeits, copies, and/or colorable imitations of the federally registered HOUSE OF KOLOR, HOUSE OF KOLOR Logo, and SHIMRIN trademarks in connection with the sale, offering for sale, or distribution of goods for which the federally registered marks are registered is likely to confuse consumers into believing that Valspar is the source of Defendant's goods or that Defendant's goods are sponsored by, affiliated with, or otherwise approved or endorsed by Valspar, all to the detriment of Valspar and the public.

39. Defendant's unauthorized use in commerce of reproductions, counterfeits, copies, and/or colorable imitations of the federally registered K-Variant Marks in connection with the sale, offering for sale, or distribution of goods for which the federally registered marks are registered is likely to confuse consumers into believing that Valspar is the source of the goods Defendant offers under the KUSTOM SHOP mark or that such goods are sponsored by, affiliated with, or otherwise approved or endorsed by Valspar, all to the detriment of Valspar and the public.

40. Defendant's unauthorized use of reproductions, counterfeits, copies, and/or colorable imitations of the federally registered trademarks set forth in paragraph 18 above in

connection with the sale of paint and coating products constitutes a commercial use in interstate commerce.

41. Defendant is using marks that are counterfeits of Valspar's federally registered HOUSE OF KOLOR, HOUSE OF KOLOR Logo, and SHIMRIN marks in connection with the sale, offering for sale, or distribution of goods for which the federally registered marks are registered and in a manner that is likely to cause confusion, mistake, or to deceive while knowing, upon information and belief, that such marks are counterfeit.

42. Upon information and belief, Defendant is intentionally using marks that are counterfeits of Valspar's federally registered HOUSE OF KOLOR, HOUSE OF KOLOR Logo, and SHIMRIN trademarks.

43. Defendant's use of counterfeits, copies, and/or colorable imitations of the federally registered trademarks set forth herein constitutes trademark infringement and counterfeiting in violation of Section 32 of the Lanham Act, 15 U.S.C. § 1114.

44. Defendant's unlawful acts have been committed with constructive knowledge, and upon information and belief, actual knowledge of the registered trademarks set forth in paragraph 18 above. Upon information and belief, Defendant's unlawful acts have been committed willfully, with the intention to cause confusion, mistake, and deception.

45. Defendant's acts have caused and will continue to cause great and irreparable injury to Valspar, and unless said acts are restrained by this Court, they will continue and Valspar will continue to suffer great and irreparable injury.

46. Valspar has no adequate remedy at law.

47. Upon information and belief, Defendant has profited from its unlawful actions and has been unjustly enriched to the detriment of Valspar. Defendant's unlawful actions have

caused Valspar monetary damage in an amount presently unknown, but in an amount to be determined at trial.

COUNT II

(Federal Unfair Competition under 15 U.S.C. § 1125(a))

48. Valspar repeats and realleges each and every allegation of paragraphs 1 through 47 of this Complaint with the same force and effect as if set forth in their entirety at this point.

49. Valspar is the owner of the common law rights in the HOUSE OF KOLOR mark, the HOUSE OF KOLOR Logo, the Scarab Design, the SHIMRIN trademark, and the K-Variant Marks identified above.

50. The acts of Defendant complained of herein are likely to cause confusion as to the source of the paint and coating products Defendant sells, or to cause mistake, or to deceive as to an affiliation, connection, or association between Valspar and Defendant.

51. Defendant's unauthorized use of trademarks identical and confusingly similar to the common law trademarks set forth above in connection with the sale of paint and coating products constitutes a commercial use in interstate commerce.

52. Defendant's actions constitute unfair competition, palming off, false designation of origin, and false description or representation in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).

53. Defendant's unlawful acts have caused Valspar irreparable harm, and will continue to irreparably harm Valspar unless enjoined.

54. Defendant has profited from its unlawful actions and has been unjustly enriched to the detriment of Valspar. Defendant's unlawful actions have caused Valspar monetary damage in an amount presently unknown, but in an amount to be determined at trial.

COUNT III

(Federal Trade Dress Infringement under 15 U.S.C. § 1125(a))

55. Valspar repeats and realleges each and every allegation of paragraphs 1 through 54 of this Complaint with the same force and effect as if set forth in their entirety at this point.

56. Valspar is the owner of common law rights throughout the United States in the HOUSE OF KOLOR Trade Dress.

57. The HOUSE OF KOLOR Trade Dress is inherently distinctive.

58. The HOUSE OF KOLOR Trade Dress has become distinctive of Valspar's paint and coating products and distinguishes HOUSE OF KOLOR paint and coating products from those offered by others.

59. The HOUSE OF KOLOR Trade Dress was distinctive long before Defendant began selling counterfeit paint and coating products bearing a trade dress identical to the HOUSE OF KOLOR Trade Dress.

60. The HOUSE OF KOLOR Trade Dress is non-functional.

61. Defendant's unauthorized sale of counterfeit paint and coating products in packaging incorporating all of the elements comprising the HOUSE OF KOLOR Trade Dress is likely to cause confusion, to cause mistake, or to deceive as to the source of the products sold by Defendant, or as to affiliation, connection, association, sponsorship, or approval.

62. Defendant's unauthorized sale of counterfeit paint and coating products in packaging bearing trade dress identical to the HOUSE OF KOLOR Trade Dress is likely to cause the public to believe that the goods Defendant is selling originate from Valspar.

63. Defendant's unauthorized sale of counterfeit paint and coating products in packaging bearing a trade dress identical to the HOUSE OF KOLOR Trade Dress constitutes a commercial use in interstate commerce.

64. Defendant's unauthorized sale of paint and coating products bearing a trade dress identical to the HOUSE OF KOLOR Trade Dress constitutes trade dress infringement in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).

65. Defendant's unlawful acts have caused Valspar irreparable harm and will continue to irreparably harm Valspar unless enjoined.

66. Defendant has profited from its unlawful actions and has been unjustly enriched to the detriment of Valspar. Defendant's unlawful actions have caused Valspar monetary damage in an amount to be determined at trial.

COUNT IV
(Cyberpiracy under 15 U.S.C. § 1125(d))

67. Valspar repeats and realleges each and every allegation of paragraphs 1 through 66 of this Complaint with the same force and effect as if set forth in their entirety at this point.

68. Valspar owns the federal trademark registrations and common law rights to the trademarks set forth above.

69. Defendant's actions as described herein evidence a bad faith intent to profit from the goodwill established in the HOUSE OF KOLOR mark.

70. Defendant has registered and uses the domain name *hokpaint.com*, which is confusingly similar to the HOUSE OF KOLOR trademark, which often is abbreviated "HOK."

71. The HOUSE OF KOLOR trademark was distinctive at the time of registration of the *hokpaint.com* domain name.

72. Defendant's actions constitute cyberpiracy in violation of Section 43(d) of the Lanham Act, 15 U.S.C. § 1125(d).

73. Defendant's unlawful acts are causing great and irreparable injury to Valspar and will continue to irreparably harm Valspar unless enjoined.

74. Upon information and belief, Defendant has profited from its unlawful actions and has been unjustly enriched to the detriment of Valspar. Defendant's unlawful actions have caused Valspar damage in an amount presently unknown, but in an amount to be determined at trial.

COUNT V
(Minnesota Deceptive Trade Practices)

75. Valspar repeats and realleges each and every allegation of paragraphs 1 through 74 of this Complaint with the same force and effect as if set forth in their entirety at this point.

76. Defendant, in the course of business, is engaging in deceptive conduct, including:

- Passing off its goods as those of another;
- Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services;
- Causing likelihood of confusion or of misunderstanding as to affiliation, connection, or association with, or certification by, another;
- Representing that its goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have;
- Representing that its goods are original or new when they are deteriorated, altered, or reconditioned;
- Representing that its goods are of a particular standard, quality, or grade, or that such goods are of a particular style or model, but they are of another;
- Advertising goods with intent not to sell them as advertised; and

- Engaging in other conduct which creates a likelihood of confusion or misunderstanding.

77. Defendant's actions in Minnesota constitute willful and knowing deceptive trade practices, in violation of Minn. Stat. § 325D.44.

78. Defendant's actions have caused, and will continue to cause, irreparable harm to Valspar unless enjoined.

DEMAND FOR JURY TRIAL

79. Valspar demands a jury trial for all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs The Valspar Corporation, Valspar Refinish, Inc., and Valspar Sourcing, Inc. seek relief as follows:

1. That the Court enter judgment in favor of Plaintiffs and against Defendant on all of Plaintiffs' claims;
2. That Defendant, its officers, agents, servants, employees, representatives, attorneys and assigns and all other persons, firms, and corporations in active concert or participation with them are, during the pendency of this action and permanently, restrained and enjoined from:
 - (a) importing, transferring, manufacturing, delivering, disposing, advertising, selling, offering for sale, distributing, and shipping products that are counterfeits of HOUSE OF KOLOR products;
 - (b) importing, transferring, manufacturing, delivering, disposing, advertising, selling, offering for sale, distributing, shipping or otherwise exploiting any product bearing a counterfeit, copy, or substantially indistinguishable designation

of one or more of Valspar's trademarks alleged herein, including the HOUSE OF KOLOR mark, the HOUSE OF KOLOR Logo, the HOUSE OF KOLOR Trade Dress, the Scarab Design, and the SHIMRIN trademark;

(c) importing, transferring, delivering, disposing, advertising, selling, offering for sale, distributing, shipping or otherwise exploiting genuine HOUSE OF KOLOR products;

(d) using or displaying in any manner in any promotional or advertising materials (electronic or otherwise), including any website operated by or on behalf of Defendant, the HOUSE OF KOLOR trademark, the HOUSE OF KOLOR Logo, the HOUSE OF KOLOR Trade Dress, the Scarab Design, the SHIMRIN mark, the K-Variant Marks, or any other trademark of any of the Plaintiffs;

(e) using the HOUSE OF KOLOR trademark, the HOUSE OF KOLOR Logo, the HOUSE OF KOLOR Trade Dress, the Scarab Design, the SHIMRIN mark, or any K-Variant Mark, or any other designation identical to, substantially indistinguishable from, or confusingly similar to any of Valspar's trademarks or trade dress identified herein, alone or in combination with other words or designs, as a trademark, counterfeit, service mark, trade name component, title, internet domain name (including the *hokpaint.com* domain name), keyword, or otherwise, to market, advertise, or identify products and services;

(f) using the mark KUSTOM SHOP or any other K-variant trademark, alone or in combination with other words or designs, as a trademark, trade name

component, title, or internet domain name to identify automotive paint and/or coating products;

(g) committing any other acts calculated or having the tendency to cause confusion, mistake, or deception between Valspar and its products on the one hand, and any other party's products on the other;

(h) doing any other act likely to induce the mistaken belief that Valspar is the source of products that are not products actually offered by Valspar;

(i) committing any other act or making any other statement that infringes a trademark of any of the Plaintiffs or constitutes an act of trademark infringement or counterfeiting, unfair competition, or deceptive trade practices under federal law or the laws of the State of Minnesota; and

(j) assisting, aiding or abetting any other person or business entity in engaging in or performing any of the activities referred to in the above paragraphs

(a) through (j);

3. That Defendant is required to deliver up for destruction all products labels, signs, prints, packages, wrappers, receptacles, advertisements, catalogs, and all other materials in the possession or control of Defendant that bear a mark or designation identical with, substantially indistinguishable from, or confusingly similar to the trademarks and trade dress alleged herein;

4. That Defendant deliver to Plaintiffs all records regardless of format, including without limitation paper and electronic records, documenting or reasonably appearing to document or relate to the manufacture, importation, supply, purchase, offering for sale, sale, distribution, or receipt of any merchandise bearing any counterfeit, copy or substantially

indistinguishable designation of the HOUSE OF KOLOR mark, the HOUSE OF KOLOR Logo, the HOUSE OF KOLOR Trade Dress, the Scarab Design, or the SHIMRIN trademark;

5. That Defendant is required to transfer to Valspar the *hokpaint.com* domain name and any other domain name owned or operated by Defendant containing a trademark of one of the Plaintiffs;

6. That Defendant is required to account for and pay over to Valspar either (i) all damages Valspar has sustained and will sustain as a result of Defendant's infringement and counterfeiting and all gains, profits, and advantages Defendant has obtained as a result of its infringement and counterfeiting in an amount to be determined at trial, trebled pursuant to 15 U.S.C. § 1117, or (ii) statutory damages as elected by Valspar before a final judgment is rendered pursuant to 15 U.S.C. § 1117;

7. That Defendant, its officers, agents, servants, employees, representatives, attorneys and assigns and all other persons, firms, and corporations in active concert or participation with them indemnify Valspar for any claims brought against it due to claims made by third parties for defective paint jobs based on the use of counterfeit product.

8. That Defendant is required to pay Valspar its attorneys' fees, costs, and expenses pursuant to 15 U.S.C. § 1117(b) and Minn. Stat. § 325D.45; and

9. That Valspar be awarded such other and further relief as the Court may deem just and proper.

Dated: August 1, 2012

FISH & RICHARDSON P.C.

By: s/ Joel D. Leviton
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